

CHILDREN AND FAMILIES

Budget Summary						FTE Position Summary				
Fund	2014-15 Adjusted Base	Request		2015-17 Change Over Base Year Doubled		2014-15	Request		2016-17 Over 2014-15	
		2015-16	2016-17	Amount	%		2015-16	2016-17	Number	%
GPR	\$358,110,500	\$363,105,200	\$367,051,200	\$13,935,400	1.9%	220.90	220.90	220.90	0.00	0.0%
FED	686,251,900	686,337,300	655,693,600	- 30,472,900	- 2.2	378.81	387.89	381.89	3.08	0.8
PR	100,789,200	111,006,400	110,539,800	19,967,800	9.9	203.40	200.32	200.82	- 2.58	- 1.3
SEG	<u>9,339,700</u>	<u>9,269,700</u>	<u>9,274,700</u>	<u>- 135,000</u>	- 0.7	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	N.A.
TOTAL	\$1,154,491,300	\$1,169,718,600	\$1,142,559,300	\$3,295,300	0.1%	803.11	809.11	803.61	0.50	0.1%

Major Request Items

Departmentwide

1. STANDARD BUDGET ADJUSTMENTS

Request adjustments to the base budget of \$955,600 in 2015-16 and \$844,000 in 2016-17 for: (a) turnover reduction (-\$246,500 GPR and -\$281,200 PR annually); (b) removal of non-continuing items (-\$206,500 FED and -6.00 FED positions in 2016-17); (c) full funding of continuing position salaries and fringe benefits (\$122,600 GPR, \$242,100 FED, and \$382,200 PR annually); (d) overtime (\$237,500 GPR, \$20,700 FED, and \$4,200 PR annually); (e) night and weekend differential (\$130,000 GPR, \$11,300 FED, and \$1,300 PR annually); and (f) full funding of lease and directed moves costs (\$61,500 GPR, \$89,000 FED, and \$180,900 PR in 2015-16 and \$90,300 GPR, \$118,700 FED, and \$217,300 PR in 2016-17). These amounts do not include adjustments for administrative costs of the Wisconsin Shares child care subsidy program or the Wisconsin Works (W-2) program, which are included in separate entries under "Economic Support and Child Care."

	Funding	Positions
GPR	\$639,000	0.00
FED	549,400	- 6.00
PR	<u>611,200</u>	<u>0.00</u>
Total	\$1,799,600	- 6.00

2. FEDERAL AND PROGRAM REVENUE RE-ESTIMATES

Request increases of \$5,929,500 (\$2,188,300 FED and \$3,741,200 PR) in 2015-16 and \$4,743,900 (\$1,014,800 FED and \$3,729,100 PR) in 2016-17 to reflect the re-estimates in the following table:

FED	\$3,203,100
PR	<u>7,470,300</u>
Total	\$10,673,400

Program and Federal Revenue Re-estimates

	<u>2015-16</u>	<u>2016-17</u>
Abstinence Grant Funding (FED)	-\$622,500	-\$622,500
CAPTA Training and Technical Assistance Funding (FED)	13,700	13,700
Chafee Education and Training Vouchers Funding (FED)	18,000	18,000
Chafee Foster Care Independence Program Funding (FED)	-43,100	-43,100
Child Abuse Prevention and Treatment Act (CAPTA) Funding (FED)	24,700	24,700
Child Support State Operations (FED)	582,400	582,400
Child Support Local Assistance (FED)	-4,757,400	-4,805,900
Child Support Noncustodial Parent Employment Demonstration (FED)	425,000	400,000
Child Welfare Education Collaboration (FED)	-123,000	-123,000
Community Services Block Grant Funding (FED)	598,900	598,900
Domestic Abuse Funding (FED)	177,900	177,900
Home Visiting Funding (FED)	-500,000	-500,000
Race to the Top Funding (FED)	2,100,000	2,100,000
Refugee Assistance Funding (FED)	1,515,000	1,515,000
State Foster Care and Adoption Assistance (FED)	1,304,400	1,304,400
Title IV-B, Part 1 (FED)	-9,600	-9,600
Title IV-B, Part 2 (FED)	183,900	183,900
Title IV-E (FED)	1,300,000	200,000
Domestic Abuse Grants (PR)	-200,000	-200,000
Gifts and Grants (PR)	5,000	5,000
Income Augmentation Funds for Program Improvement Plan (PR)	-526,900	-526,900
Income Augmentation Funds for SAFE Milwaukee (PR)	850,000	850,000
Income Augmentation Funds for Offender Re-entry Program (PR)	978,000	978,000
Project Launch (PR)	27,500	27,500
Race to the Top Funding (PR)	2,100,000	2,100,000
Social Services Block Grant Operations Funding (PR)	<u>507,600</u>	<u>495,500</u>
FED Total	\$2,188,300	\$1,014,800
PR Total	<u>3,741,200</u>	<u>3,729,100</u>
Total	\$5,929,500	\$4,743,900

Children and Families

1. MILWAUKEE CHILD WELFARE

Request a reduction of \$11,500 (-\$331,900 GPR, -\$24,700 FED, and \$345,100 PR) in 2015-16 and an increase of \$3,864,300 (\$2,111,300 GPR, \$1,407,900 FED and \$345,100 PR) in 2016-17 to reflect the net effect of funding changes for activities administered by the Bureau of Milwaukee Child Welfare (BMCW). The request is comprised of the following components:

GPR	\$1,779,400
FED	1,383,200
PR	<u>690,200</u>
Total	\$3,852,800

- a. Projected changes in caseload and service expenditures (-\$405,600 GPR and -\$1,198,600 FED in 2015-16 and \$940,000 GPR and -\$854,600 FED in 2016-17);
- b. Increases in aids contracts (\$146,200 GPR and \$155,800 FED annually);
- c. Changes to federal Title IV-E claiming rates (-\$962,200 GPR and \$962,200 FED in 2015-16 and -\$957,700 GPR and \$957,700 FED in 2016-17);
- d. Expansion of post-reunification services outside of Milwaukee County (\$1,093,100 GPR and \$1,093,100 FED in 2016-17);
- e. An increase of \$246,500 GPR in each year to offset turnover reductions made by standard budget adjustments, which DCF believes would result in adverse programmatic impact;
- f. \$236,800 GPR and \$20,600 FED annually for additional overtime funding needed over and above that requested in the standard budget adjustments; and
- g. \$406,400 GPR, \$35,300 FED, and \$345,100 PR annually for after-hours shifts and LTE case aids to carry out access and initial assessment functions in accordance with statutory timelines.

The federal funding is available under Title IV-E of the Social Security Act. The program revenue is from child support and supplemental security income (SSI) benefits for children in out-of-home care that are retained by the state to offset the costs of providing out-of-home care to those children.

2. FOSTER CARE, ADOPTION ASSISTANCE, AND SUBSIDIZED GUARDIANSHIP

GPR	\$6,963,800
FED	<u>- 2,739,300</u>
Total	\$4,224,500

Request an increase of \$847,500 (\$2,841,800 GPR and -\$1,994,300 FED) in 2015-16 and \$3,377,000 (\$4,122,000 GPR and -\$745,000 FED) in 2016-17 to re-estimate state adoption, foster care, and subsidized guardianship expenditures and federal claiming rates. The federal funding is provided under Title IV-E of the Social Security Act.

3. FOSTER CARE RATE INCREASE

GPR	\$1,096,300
PR	<u>360,000</u>
Total	\$1,456,300

Request \$708,600 (\$533,400 GPR and \$175,200 FED) in 2015-16 and \$747,700 (\$562,900 GPR and \$184,800 FED) in 2016-17 to increase the basic foster care maintenance rates by approximately 2.5% in calendar years 2016 and 2017. The federal funding is provided under Title IV-E of the Social Security Act.

The following table shows the current and requested maintenance payments. Foster homes are licensed in one of five levels based on the foster parent's knowledge, skills, and training.

Basic Monthly Maintenance Payments

		Agency Request	
	<u>Current Law</u>	<u>CY 2016</u>	<u>CY 2017</u>
Level One	\$232	\$238	\$244
Levels Two and Above			
Under Age 5	\$384	\$394	\$404
Ages 5 through 11	420	431	442
Ages 12 through 14	478	490	502
Ages 15 and Over	499	511	524

4. FOSTER CARE OUT-OF-HOME CARE EXTENSION

GPR	\$3,372,100
FED	<u>803,300</u>
Total	\$4,175,400

Request \$1,983,300 (\$1,603,900 GPR and \$379,400 FED) in 2015-16 and \$2,192,100 (\$1,768,200 GPR and \$423,900 FED) in 2016-17 to fund the extension of out-of-home care to youth up to the age of 21 with individualized education program who would otherwise "age out" of foster care. Funding would support the second and third years of the four-year phase-in of the extension under 2013 Act 20 and support an additional expansion to children who attain adoption or subsidized guardianship after age 16. The federal funding is provided under Title IV-E of the Social Security Act.

The requested funding would also support the following requested statutory changes related to the foster care extension: (a) to clarify that four or more of such persons may be served in foster homes, group homes, and residential care centers without licensure as an adult community-based residential facility; (b) to modify the sections concerning adoption assistance and subsidized guardianship payments to include children who attain adoption and guardianship after the age of 16 and meet the criteria for extended care under state and federal law; (c) to require permanency planning for youth on a voluntary transition to independent living agreement; and (d) to provide courts with jurisdiction to conduct permanency planning reviews for eligible youth.

5. CHILDREN AND FAMILIES ALLOCATION

FED	\$9,723,800
PR	<u>- 1,192,400</u>
Total	\$8,531,400

Request an increase of \$2,390,700 (\$2,794,900 FED and -\$404,200 PR) in 2015-16 and \$6,140,700 (\$6,928,900 FED and -\$788,200 PR) in 2016-17 for the children and families aids (CFA) allocation. Also request a revenue-neutral transfer of Adam Walsh funding of \$135,900 (\$99,200 GPR and \$36,700 FED) annually from program operations into the CFA, which is used for finger printing prospective foster and adoptive parents as part of the background check process.

Under DCF's request, aids funding received from the Social Services Block Grant (SSBG) would decrease by \$404,200 PR in 2015-16 and \$788,200 PR in 2016-17 due to: (a) a reduction in funds transferred from the TANF block grant to SSBG aids of \$424,500 PR in 2015-16 and \$790,800 PR in 2016-17; and (b) an increase of \$20,300 PR in 2015-16 and \$2,600 PR in 2016-

17 in base funding received from the Department of Health Services (DHS).

Funding would also increase under Title IV-B, subpart 1 (\$601,600 FED in 2015-16 and \$505,600 FED in 2016-17) and IV-E (\$943,300 in 2015-16 and \$1,423,300 in 2016-17) of the Social Security Act to reflect CFA base re-estimates for: (a) maintaining the ongoing costs of the foster care rate increase approved by 2013 Act 20; (b) maintaining the ongoing costs of the extension of out-of-home care approved under 2013 Act 334; and (c) accounting for expected "sequestration" reductions in federal funding that did not occur.

Finally, an increase of funding received under Title IV-E in the amount of \$1,250,000 FED in 2015-16 and \$5,000,000 FED in 2016-17 would fund an increase in CFA allocations for all counties outside of Milwaukee.

Including the above described funding requested for the foster care rate increase (Item 3) and the foster care out-of-home extension (Item 4), the following table shows that the total CFA would be \$70,566,700 in 2015-16 and \$74,448,100 in 2016-17.

	<u>2015-16</u>	<u>2016-17</u>
Adjusted CFA Base (2014-15)	\$67,591,700	\$67,591,700
Item 3 Foster Care Rate Increase	444,400	468,900
Item 4 Foster-care OHC Extension	1,144,700	1,251,600
Item 5 Adam Walsh Funding Transfer	135,900	135,900
Item 5 Increase to CFA	<u>1,250,000</u>	<u>5,000,000</u>
Total	\$70,566,700	\$74,448,100

6. HOME VISITING

FED	\$6,045,000
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Request \$3,022,500 FED annually to re-estimate expenditures for the home visiting program. The funding is provided by federal grants received under the Maternal, Infant, and Early Childhood Home Visiting program. Request modification of statutory language to: (a) include cities as an allowable entity for receiving state grants; and (b) alter the method used in awarding grants to include consideration of the capacity of the local grantee and to remove statutorily required consideration of a formula measuring need based on certain birth outcomes and medical assistance funding for births.

Economic Support and Child Care

1. STATE ADMINISTRATION OF WISCONSIN WORKS AND OTHER RELATED TANF PROGRAMS

	Funding	Positions
FED	\$3,996,100	5.00

Request 5.0 positions beginning in 2015-16 and \$1,902,400 in 2015-16 and \$2,093,700 in 2016-17 to avoid potential penalties in the federally mandated income and eligibility verification system (IEVS), which is used to verify applicant financial eligibility by matching applicant information between government databases. These amounts include: (a) \$1,957,900 in 2015-16 and \$1,989,900 in 2016-17 to upgrade the CARES information technology (IT) system; (b) \$87,100 in 2015-16 and \$116,200 in 2016-17 for a 1.0 information systems specialist position for CARES; (c) 4.0 positions and \$246,100 in 2015-16 and \$328,100 in 2016-17 for the IEVS corrective action plan; (d) a reduction of \$269,600 in 2015-16 and \$266,700 in 2016-17 for standard budget adjustments and funding realignments; and (e) a reduction of \$119,100 in 2015-16 and \$73,800 in 2016-17 for costs associated with health insurances, retirement, and reserves. Under DCF's request, state administration of TANF programs (other than Wisconsin Shares) would total \$15,217,400 in 2015-16 and \$15,408,700 in 2016-17.

2. EARNED INCOME TAX CREDIT

FED	- \$55,835,800
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Request a reduction of \$55,835,800 in 2016-17 in the amount of TANF funds used to support the refundable portion of the earned income tax credit (EITC). Total TANF funding for the EITC would be \$62,500,000 in 2015-16 and \$6,664,200 in 2016-17. As a result, an additional \$55,835,800 GPR would be needed in 2016-17 for the EITC to offset the reduction in TANF funds. For additional information, see "Shared Revenue and Tax Relief."

3. TRANSFER TO SOCIAL SERVICES BLOCK GRANT

FED	- \$1,214,200
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Request reduction in the amount of funding for the transfer to the SSBG of \$424,500 in 2015-16 and \$789,700 in 2016-17.

4. WISCONSIN SHARES CHILD CARE SUBSIDY PROGRAM

FED	\$5,255,300
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Request a change of expenditure authority in the amount of -\$6,788,100 in 2015-16 and \$12,043,400 in 2016-17 for direct child care services. The following table shows the requested fiscal-year amounts.

Wisconsin Shares

	<u>2015-16</u>	<u>2016-17</u>
Child Care Subsidies	\$253,145,400	\$258,826,900
Local Administration	11,638,100	11,638,100
On-site Care	2,550,000	2,600,000
Migrant Care	612,400	612,400
EBT Parent Pay	<u>0</u>	<u>13,100,000</u>
Total	\$267,945,900	\$286,777,400
 Adjusted Base (2014-15)	 \$274,734,000	 \$274,734,000
 Difference from Adjusted Base	 -\$6,788,100	 \$12,043,400

The reduction from the adjusted base in 2015-16 is primarily due to a projected utilization of the Wisconsin Shares program significantly below the previously estimated base amount. The increase in 2016-17 is primarily due to costs associated with the implementation of the electronic benefit transfer parent pay initiative, including: (a) the costs of switching from retrospective attendance-based subsidy payments to the prospective determination of need for child care and the pre-attendance award of subsidies on electronic benefit transfer cards; and (b) the one-time cost of accelerating subsidy payments, which causes the overlap of one month of retrospective payment with one month of prospective payment (resulting in reimbursement for 13 months of child care over the fiscal year).

5. CHILD CARE QUALITY RATING AND IMPROVEMENT SYSTEM

FED	\$2,316,000
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Request an increase of \$1,158,000 annually for child care quality programs to fully fund the contract costs of the child care quality rating and improvement system (YoungStar). DCF contracts with the Consortium to rate child care providers under YoungStar, to provide technical assistance and grants for improvement, and to administer YoungStar at the local level. Members of the Consortium include the Celebrate Children Foundation, Supporting Families Together Association, and Wisconsin Early Childhood Association.

The requested level of funding was previously approved by the Joint Committee on Finance in May, 2014, to cover additional expenditures from increased participation by child care providers in YoungStar technical assistance and grant programs. Costs for technical assistance and micro-grants increase as providers improve their YoungStar rating.

6. ELECTRONIC BENEFIT TRANSFER (EBT) PARENT PAY IMPLEMENTATION

	Funding	Positions
FED	\$3,202,300	1.00

Request an increase of \$1,776,300 in 2015-16 and \$1,426,000 in 2016-17 for implementation of the EBT parent pay initiative in Wisconsin Shares, including: (a) \$86,600 in

2015-16 and \$115,400 in 2016-17 to support a 1.0 FTE project manager position; (b) \$1,089,700 in 2015-16 and \$1,100,000 in 2016-17 for information technology upgrades; and (c) \$600,000 in 2015-16 and \$210,600 for vendor costs.

7. CHILD CARE STATE ADMINISTRATION

FED	- \$578,600
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Request a decrease in expenditure authority of \$419,200 in 2015-16 and \$159,400 in 2016-17 for state administration of child care activities. The reduction primarily reflects a decrease in administrative costs associated with health insurance, retirement, and reserves. Including the above described funding requested for the EBT parent pay implementation, funding for child care state administration and licensing would total \$33,127,000 in 2015-16 and \$33,036,500 in 2016-17.

8. EMERGENCY ASSISTANCE

FED	- \$300,000
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Request a reduction of \$100,000 in 2015-16 and \$200,000 in 2016-17 for emergency assistance. Also, request statutory changes to provide authority to recover overpayments in the emergency assistance program by any means, including state income tax intercept and levy against property.

9. KINSHIP CARE

FED	\$2,062,600
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Request an increase of \$978,900 in 2015-16 and \$1,083,700 in 2016-17 for kinship care, including rate increases of 2.5% effective as of January 1, 2016, and January 1, 2017. The 2015 monthly rate is \$232. Under the request, the rate would be increased to \$238 per month in 2016 and \$244 per month in 2017.

10. CARETAKER SUPPLEMENT

FED	- \$4,699,600
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Request an annual reduction of \$2,349,800 to res-estimate program costs for the caretaker supplement. In addition to state and federal SSI benefits, SSI recipients with dependent children receive a caretaker supplement of \$250 per month for the first child and \$150 per month for each additional child.

11. CHILD WELFARE

FED	- \$4,973,800
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Request an annual reduction of \$2,386,900 for child welfare safety services due to elimination of two contracts in BMCW, and an annual reduction of \$100,000 in child welfare prevention services to BMCW supervised parental visitation funding,

12. OTHER TANF PROGRAMS

Request base funding for the following programs supported with TANF funds:

<u>TANF-Related Programs</u>	<u>Annual Funding</u>
W-2 Benefits	\$90,796,000
W-2 Agency Contracts	58,336,500
Transitional Jobs/Transform Milwaukee	5,000,000
Local Fraud Aids	605,500
Grants to Boys & Girls Clubs	1,100,000
Children First	1,140,000
Grant to Wisconsin Community Services	<u>400,000</u>
Total	\$157,378,000

Child Support

1. CHILD SUPPORT RE-ESTIMATE

Request increased expenditure authority based on re-estimates of revenues of \$2,953,700 (-\$485,300 FED, \$3,509,000 PR, and -\$70,000 SEG) in 2015-16 and \$3,259,000 (\$3,324,000 PR and -\$65,000 SEG) in 2016-17 for state administration of child support activities. Funding would be used to upgrade the child support information system.

FED	- \$485,300
PR	6,833,000
SEG	<u>- 135,000</u>
Total	\$6,212,700